

Unapproved Minutes of the LLPOA 2020 Annual Meeting

The LLPOA Annual Membership Meeting was called to order at 10:00 a.m. on January 18, 2020, at the Nelson City Hall. Board members in attendance were Tom Thomason, Paula Campbell, Tina Kleuckling, Randy Meadows, and Doug Dabbs.

The primary goals of this year's LLPOA Annual Meeting were to:

- Welcome and introduce new members to the Membership.
- Provide to the Membership a report on the operation of the corporation.
- The election of the 2020 LLPOA Board.
- Provide and explain Covenant renewal information to the Membership.
- Begin preliminary Covenant renewal voting
- Field comments from the Membership to the Board.

The general membership was welcomed to the meeting.

New Members were recognized and welcomed to the meeting:

- James and Brandy Puett
- Jason Cheshire
- Mitchell and Dana Kogod
- Sam and Terri Burtz

Tom introduced Cherokee Police Officer Mike Wells who spoke briefly on the purpose of 911 and the fact that calling 911 creates a record of the issue or complaint.

22 property owners attended the meeting which met the requirements for a quorum.

A motion to approve the minutes from the December 3, 2019 LLPOA Board Meeting was made by Randy, seconded by Paula, and approved by all members of the board in attendance.

The Board then asked that all Member comments be held until 'Open Comments from the Membership' at the end of the meeting.

Report on the 2019 Operation of the LLPOA Corporation: Tom Thomason (Acting President)

Tom provided a high level overview of the operation of the LLPOA corporation:

- Our front entrance maintenance agreement with Fresh-Cut remains in effect with no unplanned maintenance expenses. The two year contract renewal is due on March 31, 2021.
- All bills related to operation of the association have been paid and were paid on time.
- We continue to operate with a positive cash flow on an annual basis.
- As always, efforts to collect delinquent association fees are continuing. If they can not be collected, please be aware that liens can legally be placed on the properties for the amount of the delinquent fees plus all associated court costs and attorney fees. A continuation of efforts to collect these payments will be made, and if deemed necessary, thru magistrate court.

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It is felt this is only fair to those who continue to pay their fair share. Ideally, all property owners should make every effort to honor their responsibilities to other property owners.

- Prior to setting our 2019 annual maintenance fees at \$90/year, the following considerations were taken into account by the Board:
 - A worksheet was developed by Paul Feldman that indicated the likely financial impacts if we reduce fees prior to renewal of our covenants in 2020.
 - As custodians with a fiduciary responsibility, the Board felt that it would be prudent to maintain our annual maintenance fees at their current level. **It was disclosed to the Membership that the issue will be revisited if it is determined that if fees could possibly be reduced if Covenants are renewed.**
- LLPOA Accomplishments in 2019:
 - Maintenance fees for 2019 were again not increased.
 - Past due maintenance fees were collected from several members. Thank you!
 - We once again shared our Laurel Lake Street Evaluation presentation with the City of Nelson. The City advised us that they were planning to re-evaluate all the streets in Nelson and upgrade them in a prioritized manner.
 - Formation of our Covenant Renewal Committee which met with our attorney to define the events and processes needed for covenant renewal in 2020.
 - Our web host Earthlink required us to move our LLPOA website to a new platform. Tom has completed the required software updates. See www.llpoa.com

Vice President & ACC Chairman: Tom Thomason

ACC activities:

In 2019, a few letters from the ACC were sent to address complaints made by our Membership concerning covenant violations. Tom also explained the scope of the ACC responsibilities:

ACC responsibilities:

The ACC is not intended to perform a law enforcement function within the community. Any issue concerning loud music, loose dogs, moving traffic violations, etc. are the responsibility of law enforcement. All of these issues are violations of city/county ordinances and should be handled accordingly; either resolved hopefully in an amicable manner between the neighbors themselves, or if this not possible, then reported to authorities by calling 911.

Contact numbers are provided on our www.llpoa.com website under the link **Important Phone Numbers**. The ACC will continue to enforce covenant violations such as improper signs, cars parked on lawns, unapproved construction, visible trailers, improperly stored vehicles, etc.

Continuing ACC issues:

- Accumulation of trash or undue clutter on properties. Fallen dead tree removal.
- Storage of equipment in driveways and toys and lawn equipment in front yards.
- Placement of structures on properties without ACC approvals.

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- Persistent, or frequent on a repetitive bases, the parking of vehicles and trailers in the street, side yards, or front lawns, especially if visible from the street, i.e. in areas that are unpaved and not intended for such purpose.
- Tree removals without notifying the ACC.
- Signs (except For Sale signs) placed on properties.
- Quality of life noise disturbances.
- Rental or vacant properties and the possible financial impact that they can have on adjacent property values and the community as a whole.

Remember: The primary purpose of having an active ACC is to maintain property values.

Treasurer Report:

Paula Campbell provided her end of year 2019 financial report and 2020 projections. The topics were as follows:

- Income and Cash Flow
- Delinquencies
- Projections for 2020

Tom stated that he has reviewed the bank statements online and that they are correct.

A motion to accept the Treasurer's report was made by Doug, seconded by Randy, and was approved by all members of the board in attendance.

A copy of the Treasurer's Report is included in Appendix A of this document.

Secretary: Tina Kleuckling

- Nothing to report.

Lake Committee Report: Paula Campbell

There has been no Lake Committee activity again this year. Again, the lake appears stable, with the trash rack installed a few years ago continuing to do a good job.

Reimbursement of Expenses to Board Members:

- Paula Campbell requested reimbursement of \$73.01 for the following expenses:
- Postage of \$55.01
- Envelopes \$18.01

A motion to approve these expenses was made by Tom, seconded by Doug, and was approved by all members of the board in attendance.

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Election of the 2020 Board:

Part of the annual meeting is the nomination and election of the Board for the current year.

- The volunteers that have supported the association over the years have been responsible for our success. Their efforts have allowed us to keep the association fees low as compared to other POAs.
- The core members of the LLPOA Board have served for about ten years now and want to encourage others in our community to serve on the 2020 Board.
- Without volunteers, we will need to look at other ways of managing the LLPOA.
 - Strong support by the membership will help in maintaining property values in Laurel Lake.
 - There are a number of options, but having neighbors volunteer to serve provides the best results at the lowest cost.
 - To be a community, we need for more members to become involved in the operation of the Association. This includes the Board, the ACC, and the Community Activity Committee.
- Voting requirements:
 - Ask for volunteers to form a committee of 3 inspectors of election.
 - Inspectors may not be a candidate nor move or second a motion to be voted upon.
 - Certified copy of the election results will be signed by the inspectors. This document will be added as Appendix B to the minutes of this meeting.
 - Inspectors will count the ballots and tabulate the results.
 - Inspector 1 = Ike Grove
 - Inspector 2 = Paul Feldman
 - Inspector 3 = Judy Cochran
 - Nominations for each Board Member position were made and added to the ballots.
 - Ballots were cast by the membership.
 - Ballots were counted and certified by the inspectors as shown above and in Appendix B.

Election Results for the LLPOA 2020 Board:

- President: Stephen Johnston
- Vice-president: Mitchell Kogod
- Treasurer: Paula Campbell
- Secretary: Tina Kleuckling
- 2 year member at large: Randy Meadows
- 1 year member at large: Kathy Mathis
- 1 year member at large: Kristina Johnston

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Recommended Goals for the 2020 Board:

- Update our worksheet that indicates the likely financial impact if we reduce fees prior to renewal of our covenants in 2020.
- Set annual membership maintenance fees for 2020.
- Follow through with processes and activities needed for covenant renewal by June 1, 2020.
- Continue efforts to receive past due maintenance fees even if thru the magistrate courts.
- Renew or rebid the maintenance contract for our front entrance by March of 2021.
- Follow-up with the City of Nelson on their plans to repair the streets in Laurel Lake.
- Establish and support Community Activity Committee:
 - Encourage members to participate in MUST PB&J and Toy drives as well as other community based programs that help the needy in our area.
 - Encouraging the membership to reach out to their neighbors that are experiencing age and health related issues.

Tom introduced our attorney representative Audrey Conley of Dyer & Rusbridge to the Membership and described the Board's efforts to define requirements for Covenant renewal.

Covenant renewal efforts:

- On December 23, 2019, Paula and Tom met with our attorney, Alicia Argo, to discuss covenant renewal. The purpose of this meeting was to gather information needed to finalize our joinder documents which establish legal ownership in the Laurel Lake community and plan the effort going forward for covenant renewal by this summer.
- History of LLPOA Covenants:
 - On August 8, 1990: Initial recording of LLPOA covenants (20 year term) made by Lawson & Quarles Inc.
 - On November 27, 1990: First Amendment to the Declaration of Covenants (20 year term) made by Lawson & Quarles Inc. and Fred H. Talley Inc.
 - On June 24, 2010: Renewal of covenants (10 year renewal) was successfully accomplished by the LLPOA.
- The deadline for the 10 year renewal of our covenants is this summer on 7/12/2020.

A joinder document was developed by our attorney Alicia Argo for each Laurel Lake property. Each property owner voted to either accept or reject covenant renewal. Laurel Lake has 116 lots. To meet legal requirements, we will need a minimum of 78 property owners voting YES to renew our covenants. These documents were available for signature by all members attending the 2020 Annual Meeting. Thus, 20 joinder documents were approved for Covenant renewal. The remaining joinder signature documents will be mailed to members that were unable to attend the annual Membership meeting and thus were unable to sign.

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Important Information to the Membership Concerning Covenant Renewal:

- **If covenant renewal is not agreed to by the membership:**
 - **The LLPOA covenants would no longer be enforceable; this will impact each property in our neighborhood in many ways, not the least of which is financial.**
 - Significant property / home maintenance or quality of life issues would have to be evaluated by the individual property owner to determine if they could be addressed as a violation of the City of Nelson code.
 - Not having covenants could have an even greater impact on members that own lake lots in that covenants would no longer mandate financial responsibility of dam maintenance be shared by all lake lot owners.
 - **Please be advised that our attorney has informed us that case law has adjudicated that fees for HOA property owners are still legally enforceable even if Covenants are not renewed.** This is due to the fact that our common areas (i.e. the front entrance) provides a benefit to all LLPOA property owners.
 - **Because of this, the Board sees no financial gain in voting against covenant renewal except a more rapid deterioration of our neighborhood which will result in losses in property values due to our covenants not being enforceable.**
 - **Property owners should also be aware that some potential home buyers will not consider a community like ours that do not have covenants in effect.**
 - Legally, each property owner would still be responsible for the annual maintenance fee and the funds will be used to fund maintenance of the front main entrance including insurance.
 - The primary advantage of renewing our covenants is that they can be used to address issues that would negatively impact our property values.
 - A volunteer nonprofit LLPOA would still remain in place and be managed as per our bylaws.

The Board feels very strongly that covenant renewal is in the best interest of all property owners. Please discuss this with your neighbors and encourage them to support covenant renewal. Please contact any Board member if you would be willing to work with the Board in this effort.

Open Comments from the Membership:

Robert's rules of Order and 5 minute time limit apply to speakers

- Topics are restricted to those directly related to the LLPOA.
- Chairman will time each speaker and give a 1 minute warning.
- Raise hand to be recognized.
- State your name and where you live.

There were no comments from the Members at this time.

Tom Thomason thanked everyone for attending and participating in the association. A motion to adjourn was made by Doug, seconded by Paula, and voted to accept by all members of the board in attendance.

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APPENDIX A: Treasurer's Report of 2019 Results and 2020 Projections

Income and Cash Flow

For the year ended December 31, 2019, the LLPOA collected \$9,535 in membership dues, of which \$615 was for prior years' dues and \$100 paid in advance for 2020 dues. The Association collected 89.1% of 2019 dues receivable, with 13 members' dues outstanding, two of which owe for two years. Interest earned in 2019 was \$100.38.

The LLPOA's 2019 recurring operating expenses were \$6,592 and other operating expenses were \$1,365, for total operating expenses of \$7,958.

Net cash flow for 2019 was \$1,678.

The LLPOA has \$2,615 cash in its business checking account, \$31,633 in its money market account, and \$920 in a Lake Committee Account for a total of \$35,168 in cash.

Total homeowners equity, including current year income, is \$35,427.

Delinquencies

The 2019 delinquencies are \$1,170, 2018 and prior delinquencies are \$1,789 for a total delinquent balance of \$2,959.

Projections for 2020

Income projections for 2020 are \$10,300 for member dues and receivable payments, and \$85 in interest income from the money market account.

Recurring operating expenses are forecast at \$6,648, comparable to 2019 recurring expenses with the exception of a potential increase in the front entrance landscape contract which has had no increases for six years.

Other operating expenses are forecast at \$3,915. The 2020 forecast includes a nominal estimate for legal expenses of \$1,150 incurred for court and legal costs for the purpose of collecting past due membership dues, and an additional \$1,500 for legal assistance with the covenants renewal.

Total expense is forecasted at \$10,563.

A negative net cash flow is forecast at (\$178).

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APPENDIX B: 2020 Election Certification Sheet

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Appendix B: Certified Election Results

2020 LLPOA Board Members (7 Positions)		# Votes Received
President:		
Candidate =	Jacob Singer	7
Candidate =	Steve Johnston	16
Candidate =		
Vice President:		
Candidate =	Mitchell Kogod	23
Candidate =		
Candidate =		
Treasurer:		
Candidate =	Paula Campbell	23
Candidate =		
Candidate =		
Secretary:		
Candidate =	Tina Kleuckling	18
Candidate =	Astin Singer	5
Candidate =		
2 Year Member at Large:		
Candidate =	Randy Meadows	22
Candidate =		
Candidate =		
1 Year Member at Large:		
Candidate =	Cathy Mathus	23
Candidate =	Kristina Johnston	20
Candidate =	Denise Costa	3
Election Inspector Certifications:		
Election Inspector #1 Signature =	Isaac Brown	
Election Inspector #2 Signature =	Joseph [unclear]	
Election Inspector #3 Signature =	Paul Feltner	

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Appendix C: 2020 Annual Meeting Attendee List

Last Name	Address
Burtz	117 Hickory Ln.
Campbell	1014 Laurel Lake Dr
Cheshire	2038 Laurel Cove
Cochrane	3057 Cypress Cove
Dabbs	2042 Laurel Cove
Moore	1028 Laurel Lake Dr.
Densmore	1000 Laurel Lake Dr.
Feldman	3048 Cypress Cove
Givens	2010 Laurel Cove
Grove	2058 Laurel Cove
Johnston	3060 Cypress Cove
Kellett	1005 Laurel Lake Dr.
Kleuckling	3039 Cypress Cove
Knott	3031 Cypress Cove
Kogod	3075 Cypress Cove
Lukowski	3035 Cypress Cove
Mathis	2026 Laurel Cove
McNiff	1006 Laurel Lake Dr.
Meadows	3016 Cypress Cove
Puett	3061 Cypress Cove
Singer	3051 Cypress Cove
Thomason	3025 Cypress Cove